



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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**MEMORANDUM**

**TO:** All State Agencies, Boards, Commissions and Institutions of Higher Education

**ATTENTION:** Professional Consulting Services Contracting Staff

**FROM:** Joe Giddis, Director  
State Procurement

**DATE:** November 8, 2001

**SUBJECT:** Notes from Review Sub-Committee meeting November 7, 2001

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As we continue the transition of the responsibility for Professional Consulting Services (PCS) contracts to the Office of State Procurement (OSP) and work with the Review Sub Committee on establishing procedures for the review of PCS contracts, I will provide information after each Review committee meeting in an attempt to assist State agencies in their contract preparations.

Agencies are beginning to learn the process for "sole source" procurement of PCS contracts. The committee continues to look closely at "sole source" procurements and agencies must be prepared to present their rationale to the committee members on why the "sole source" selection criteria was used. As a reminder, agencies must have a representative in attendance at the Review Committee meeting when they have a PCS contract presented for review. When the co-chairs or members have questions they want to speak with an agency representative who is familiar with the contract specifications.

Information Technology PCS contracts must include a statement that addresses the possibility of future growth of the project. This is especially important if the "sole source" procurement selection is going to be used. Information Technology projects have, in the past, had a tendency to "grow" beyond initial estimates. Members of the committee must be made aware of the possibility of future growth in projects that may require additional funding or other resources.

At the December Review Committee meeting OSP will present the DRAFT re-write of the regulations, new PCS contract forms and recommendation on legislative changes. We will also present our recommendations on the next steps in the process. These were promised to the committee at the September meeting and are a culmination of the work of our state wide cross-functional team. The team did an excellent job of reviewing all prior regulations and current law and recommending changes to streamline the process while maintaining accountability.

**CC:**  
Dick Barclay  
Tim Leathers  
DF&A Administrators